

ILD, Corp.

1551 Indian Hills Drive

Parcel#: 8947-09-481-015

Indian Hills Shopping Center was built in phases, starting with the Grocery Store in 1973, followed by the one story building in 1975 and the 2 story building in 1977.

That was 38 to 42 years ago. At the time of its construction, the only suburban center in Sioux City that did not have its origins in the late 1800's or early 1900's was the Sunset Plaza (since rebuilt as Market Place in 2004).

In the 1970's there were no Super Wal-Marts, no Greatland Targets, no Southern Hills Mall (Opened March of 1980} no Lakeport Commons (Opened in 2005). The Indian Hills Sunshine Store was the largest grocery store in Sioux City at 25,608 square feet. If you take out the 3,000 square foot restaurant, even the Fareway stores are larger and the Hy-Vees and Super Wal-Marts' grocery sections are twice as big.

This grocery store has been vacant for over 10 years.

The one story and two story buildings are full except for one 2,000 square space in the one story building that was formerly a church.

Investors looking at this type of tertiary (big word for 3" rate) center buy them at a 12% to 14% cap rate.

The current Net Operating Income is \$157,300 divided by 12% indicates a value of \$1,310,900. None of the current leases include any payment of real estate taxes. Based on the proposed assessed value, taxes will go up approximately \$27,000 per year which will bring the Net Operating Income down to \$130,300 divided by a 12% cap rate indicates a value of about \$1,083,000.

INDIAN HILLS SHOPPING CENTER

PROPERTY ADDRESS 1551 INDIAN HILLS DRIVE
GIS # 8947- 09-481-015

Income and Expense Report

	2012	2013	2014
RENTS RECEIVED	\$419,057.82	\$393,672.44	\$428,470.61
EXPENSES			
Advertising	\$9,050.93	\$7,838.76	\$7,253.43
Cleaning	27,033.12	26,937.12	29,969.91
Garbage	6,420.00	6,430.00	6,438.00
Grounds and Upkeep	12,438.83	10,563.74	14,336.53
Insurance	10,286.00	11,472.00	11,796.00
Miscellaneous	538.75	498.40	0.00
Professional Fees	4,374.69	5,113.52	8,611.59
Property Taxes	79,727.00	77,797.00	71,942.00
Repairs and Maintenance	19,710.73	13,393.97	18,721.11
Security	333.16	1,683.16	527.85
Snow Removal	10,465.00	16,462.50	16,892.00
Supplies	9,599.00	6,508.35	8,625.89
Utilities	62,176.05	69,331.02	76,119.19
TOTAL EXPENSES	\$252,153.26	\$254,029.54	\$271,233.50
NET RENTAL INCOME (LOSS)	<u>\$166,904.56</u>	<u>\$139,642.90</u>	<u>\$157,237.11</u>



**Notice to Property Owner as to
Assessment by Board of Review
Regular Session
Section 441.35 - 441.39, Code of Iowa**

ILD Corp.
James C. Johnson, President
520 Nebraska St., Ste 233
Sioux City, IA 51101-0000

You are hereby notified that the Board of Review of City of Sioux City, on 5/28/2015, authorized the following actions regarding the assessment of the property described below:

Parcel Number 8947-09-481-015

Property Address 1551 INDIAN HILLS DR
SIOUX CITY, IA 00000-0000

Original Class COMMERCIAL

Original Assessed Value \$2,184,500

New Class COMMERCIAL

New Assessed Value \$2,184,500

- ☒ Value of above described property to remain unchanged for the reason stated below.
☐ Value of above described property reduced for the reason stated below.
☐ Classification of above described property was changed.
☐ The Board of Review has increased the value of your above described property for the reason stated below.

Reason for Action of Board of Review:

With regard to the claim of overvalue: Insufficient evidence presented to prove assessment is excessive.

- ☒ The Board of Review has taken final action on your above described property, and will adjourn June 2, 2015.

Appeals to the Property Assessment Appeal Board may be taken from the board of review action within 20 days after the adjournment date of the board of review or May 31st, whichever is later. You may bypass the Property Assessment Appeal Board and appeal to the district court. (Sec 441.37A, 441.38, 441.39, Code of Iowa)

Appeals to the district court may be taken from the board of review action within 20 days of adjournment or May 31st, whichever date is later. (Sec 441.38, 441.39, Code of Iowa)

Kathleen Fenceroy
Clerk of said Board of Review

NOTICE: In odd numbered years the foregoing assessments are subject to equalization pursuant to an order issued by the Director of Revenue. The County Auditor shall give notice on or before October 15 by publication in an official newspaper of general circulation of any class of property affected by an equalization order. The Board of Review shall be in session from October 15 to November 15 to hear protests of affected property owners or taxpayers whose valuations have been increased by an equalization order. You may file a protest from October 16 to October 25 if your property valuations have been adjusted by the equalization order.